

AMENDED IN SENATE MAY 16, 2001

SENATE BILL

No. 1082

Introduced by Senator Vasconcellos

February 23, 2001

An act to amend Section 18724 of the Revenue and Taxation Code, relating to taxpayer contributions.

LEGISLATIVE COUNSEL'S DIGEST

SB 1082, as amended, Vasconcellos. Income taxes: designations: senior citizens.

Under the Personal Income Tax Law, taxpayers are allowed until January 1, 2005, to contribute amounts in excess of their tax liability for the support of the California Fund for Senior Citizens. Existing law provides for the repeal of the contribution provisions for these funds on January 1, 2005, or on January 1 of any calendar year that the Franchise Tax Board estimates the minimum contribution amount will be less than a prescribed amount. *Existing law specifies that beginning with calendar year 2002, the Franchise Tax Board shall adjust the minimum estimated contribution amount.*

This bill would instead ~~make those check-off provisions inoperative in any calendar year, after the 2005 repeal date has been deleted, in which the Franchise Tax Board makes the required estimate.~~

~~The bill would become operative for returns filed in 2002 for taxable years beginning on and after January 1, 2001 require that adjustment to be made beginning with calendar year 2003.~~

This bill would state the intent of the Legislature that the California Fund for Senior Citizens be removed from the state income tax forms as a voluntary contribution, upon the making of a continuous General Fund appropriation for the California Senior Legislature.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 18724 of the Revenue and Taxation
2 Code is amended to read:
3 18724. (a) This article shall remain in effect only until
4 January 1, 2005, and as of that date is repealed, unless a later
5 enacted statute, ~~which~~ *that* is enacted before January 1, 2005,
6 deletes that date.
7 ~~(b) (1) If the repeal date specified in subdivision (a) has been~~
8 ~~deleted and if, thereafter, in any calendar year the Franchise Tax~~
9 ~~Board estimates by September 1 that contributions described in~~
10 ~~this article made on returns filed in that calendar year will be less~~
11 ~~than the minimum contribution amount prescribed by paragraph~~
12 ~~(2), or the adjusted amount specified in subdivision (c), as may be~~
13 ~~applicable, then this article is inoperative with respect to taxable~~
14 ~~years beginning on and after January 1 of that calendar year. The~~
15 ~~Franchise Tax Board shall estimate the annual contribution~~
16 ~~amount by September 1 of each year using the actual amounts~~
17 ~~known to be contributed and an estimate of the remaining year's~~
18 ~~contributions.~~
19 ~~(2) For purposes of this section, "minimum contribution~~
20 ~~amount" means two hundred fifty thousand dollars (\$250,000) for~~
21 ~~any calendar year.~~
22 *(b) If the Franchise Tax Board estimates by September 1 that*
23 *contributions described in this article made on returns filed in that*
24 *calendar year will be less than two hundred fifty thousand dollars*
25 *(\$250,000) for taxable years beginning in 2001, or the adjusted*
26 *amount specified in subdivision (c) for any subsequent taxable*
27 *year, as may be applicable, then this article is repealed with respect*
28 *to taxable years beginning on or after January 1 of that calendar*
29 *year. The Franchise Tax Board shall estimate the annual*
30 *contribution amount by September 1 of each year using the actual*
31 *amounts known to be contributed and an estimate of the remaining*
32 *year's contributions.*
33 *(c) For each calendar year, beginning with calendar year 2002*
34 *2003, the Franchise Tax Board shall adjust, on or before*

1 September 1 of that calendar year, the minimum estimated
2 contribution amount specified in subdivision (b) as follows:

3 (1) The minimum estimated contribution amount for the
4 calendar year shall be an amount equal to the product of the
5 minimum estimated contribution amount for the prior September
6 1 multiplied by the inflation factor adjustment as specified in
7 paragraph (2) of subdivision (h) of Section 17041, rounded off to
8 the nearest dollar.

9 (2) The inflation factor adjustment used for the calendar year
10 shall be based on the figures for the percentage change in the
11 California Consumer Price Index received on or before August 1
12 of the calendar year pursuant to paragraph (1) of subdivision (h)
13 of Section 17041.

14 (d) Notwithstanding the repeal of this article, any contribution
15 amounts designated pursuant to this article prior to its repeal shall
16 continue to be transferred and disbursed in accordance with this
17 article as in effect immediately prior to that repeal.

18 ~~SEC. 2. Notwithstanding Section 18415 of the Revenue and~~
19 ~~Taxation Code, or any other provision of law, the amendments to~~
20 ~~Section 18724 of the Revenue and Taxation Code made by this act~~
21 ~~shall apply to tax returns filed in 2002 and thereafter for taxable~~
22 ~~years beginning on and after January 1, 2001.~~

23 *SEC. 2. It is the intent of the Legislature that the State of*
24 *California support the operating costs of the California Senior*
25 *Legislature through a continuous General Fund appropriation. It*
26 *is the further intent of the Legislature that the California Fund for*
27 *Senior Citizens be removed from the state income tax forms as a*
28 *voluntary contribution, upon the making of a continuous General*
29 *Fund appropriation for the California Senior Legislature.*

